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IN THE SPECIFICATION:

Please amend the specification as follows:

Please replace the paragraph beginning on Page 2, Line 29 as follows:

In accordance with one embodiment of the present invention, our technique partitions a global resource (e.g., a-network of interconnected nodes or resources) into across a plurality of separate nodes, giving a fixed resource budget to each of the nodes. When any of the nodes exceeds its budget, based upon local monitoring at that node, the node triggers a report, typically sending a message to a central manager, also known as a network management station. In response, the central manager then and only then issues a global poll of all (or substantially all) of the nodes in the network. The nodes er-resources can be switches, routers, bridges, firewall devices, and/or other similar network elements, as well as application level elements, such as servers, hosts, and/or layer 4-7 switches.

Please replace the paragraph beginning on Page 3, Line 7 as follows:

In accordance with another embodiment of the present invention, a rate based technique is arranged such that a local element (node) monitors its own resource usage locally, and reports (i.e., sends a message to a central monitoring location) only when the rate at which the <u>resource usage</u>, as <u>measured by a value</u> of a local variable, changes, e.g., is too high. This allows the central manager to assume that as long as no report was received, the <u>resource usage</u> change <u>rates rate</u> at each node is bounded. Again, when the node triggers a report, the central manager then and only then issues a global poll of all (or substantially all) of the nodes in the network.